



e-FILING REPORT COVER SHEET

Send completed Cover Sheet and the Report in an email addressed to: PUC.FilingCenter@state.or.us

REPORT NAME: Electric Company New Construction Budget Report for 2018

COMPANY NAME: Idaho Power Company

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION? No Yes

If yes, please submit only the cover letter electronically. Submit confidential information as directed in OAR 860-001-0070 or the terms of an applicable protective order.

If known, please select designation: RE (Electric) RG (Gas) RW (Water) RO (Other)

Report is required by: OAR 860-027-0015

Statute

Order

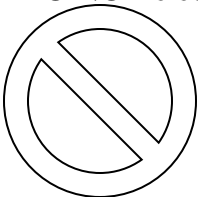
Other

Is this report associated with a specific docket/case? No Yes

If yes, enter docket number: RE 35

List applicable Key Words for this report to facilitate electronic search:

DO NOT electronically file with the PUC Filing Center:



- Annual Fee Statement form and payment remittance or
- OUS or RSPF Surcharge form or surcharge remittance or
- Any other Telecommunications Reporting or
- Any daily safety or safety incident reports or
- Accident reports required by ORS 654.715

Please file the above reports according to their individual instructions.



LISA D. NORDSTROM
Lead Counsel
lnordstrom@idahopower.com

March 29, 2018

Public Utility Commission of Oregon
Filing Center
201 High Street SE, Suite 100
Salem, Oregon 97301

Re: Idaho Power Company's New Construction Budget Report for 2018

Attention Filing Center:

Pursuant to OAR 860-027-0015, Idaho Power Company ("Idaho Power") herewith transmits for electronic filing its New Construction Budget Report for 2018.

The redacted forecast financial information in this report, given its magnitude and level of detail, is commercially sensitive and potentially material non-public information under federal securities laws, and if disclosed freely could subject Idaho Power or its customers to risk of competitive disadvantage, legal harm, or other business injury. The redacted forecast financial information should be treated as confidential until Idaho Power publicly discloses the information in a broad, non-exclusionary manner consistent with the requirements of Regulation FD of the U.S. Securities and Exchange Commission (for example, via a national press release or public filing with the U.S. Securities and Exchange Commission). A confidential unredacted version will be provided via U.S. Mail.

If you have any questions, please call me at 208-388-5825.

Very truly yours,

A handwritten signature in cursive script that reads "Lisa D. Nordstrom".

Lisa D. Nordstrom

LDN:kkt

Enclosure



PUBLIC UTILITY COMMISSION OF OREGON
 PO BOX 1088, SALEM, OR 97308-1088
PUC.FilingCenter@state.or.us

ELECTRIC COMPANY NEW CONSTRUCTION BUDGET FOR 2018

GENERAL INSTRUCTIONS

- Each energy utility operating within the State of Oregon and having gross operating revenues of \$50,000 or more per year is required to file a New Construction Budget annually on or before March 31st and report information on new construction, extensions, and new additions to property of the utility in accordance with Oregon Administrative Rule 860-027-0015.
- The New Construction Budget Report should be completed and filed with the Public Utility Commission of Oregon Filing Center. Complete the e-Filing Report Cover Sheet found at http://www.puc.state.or.us/eFiling/eReports/efiling_report_cover_sheet_FM050.pdf. Email both the report and the cover sheet to PUC.FilingCenter@state.or.us, no later than March 31st.


PROJECT NARRATIVE

For major projects (the three largest projects in terms of cost and all projects greater than \$10 million) a narrative supplying the following information is required:

- Project Description:** Include a brief technical specification of the project, ownership, if jointly owned, operating date, stage of construction, and other relevant information.
- Need for the Project:** Attach all prepared information documenting the need for the project, including the specific need the project is intended to fill. Economic comparisons with alternatives are to be attached. All the underlying assumptions of the economic analyses are to be specified.
- Contingencies:** Attach a listing of existing or potential future problems which might impact the final cost or successful completion and operation of the project, such as licensing problems, labor difficulties, litigation, etc.
- Reconciliation with Prior Budget:** Each successive year's budget can be expected to reflect differing estimates of project costs as the project progresses. For each major project, prepare a reconciliation with the prior budget's estimates and provide specific reasons for the changes.

In addition, please attach copies of prepared documentation or plans describing generation transmission, and general plant projects exceeding \$1,000,000 in total cost and for which construction will commence in the budget year. Information submitted should contain:

- A Brief Project Description:** Include the project function (e.g., production, transmission, distribution, general plant, thermal, hydro, or other), project identification.
- Location:** Include a starting and ending date.
- Total budgeted cost.**

FULL NAME OF ELECTRIC COMPANY Idaho Power Company			
ADDRESS: PO BOX OR STREET NUMBER 1221 W Idaho St.	CITY Boise	STATE ID	ZIP CODE 83702
CERTIFICATION: I CERTIFY THAT THE INFORMATION REPORTED IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.			
SIGNATURE 	TITLE Budget and Revenue Manager	DATE 3/29/18	

MATTHEW LARKIN

INSTRUCTIONS

1. Report size of major production projects only, and percent ownership, scheduled operating dates, and expenditures required to complete project for major production, transmission, and general plant projects.
2. Major projects are defined as those projects having a total estimated cost to completion exceeding \$10 million.
3. Under "Distribution," report specific line item expenditures for the budget year only. All expenditures for distribution following the budget year should be aggregated for the year and only total distribution expenditures reported for the period.
4. Non-major project expenditures within each category should be aggregated and only the totals reported.
5. Report all expenditures in thousands of dollars.

DESCRIPTION	SIZE	PERCENT OWNERSHIP %	SCHEDULED OPERATING DATE (MO / YR)	EXPENDITURES (B.Y. = BUDGET YEAR; B.Y.+1 = THE FIRST YEAR AFTER THE BUDGET YEAR, ETC.)					REQUIRED TO COMPLETE	TOTAL		
				PRIOR TO B.Y.	B.Y.	B.Y. + 1	B.Y. + 2	B.Y. + 3			B.Y. + 4	
<p>Major Production Projects: Brownlee Turbine Runner Replacement - This project is to replace the runners and refurbish the turbines for Brownlee units 1 through 4. One unit per year will be completed between 2016 and 2019. In addition to resolving damage due to cavitation, the new runners will improve generation efficiency.</p>	NA	100%	Various	43,520	8,554	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
<p>Hells Canyon Complex Relicensing - This project includes amounts incurred for the ongoing relicensing efforts for the Hells Canyon Complex (HCC). IPC continues to work closely with various agencies and stakeholders to resolve issues associated with Section 401-Clean Water Act certification.</p>	NA	100%	Unknown	275,835	8,755	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
<p>Hells Canyon Complex License Early Mitigation and Compliance - This project represents the capital expenditures to comply with the anticipated terms of a new Hells Canyon Complex license order. Early mitigation projects began in 2005 based on necessity or opportunity to address expected compliance requirements. Receipt of the license is not expected until sometime in the future.</p>	NA	100%	Various	49,611	2,597	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
<p>Shoshone Falls Unit 1 and Unit 2 Replacements - This project includes replacing units 1 and 2 with a single 3.2 MW unit, a new step-up transformer, equipment and personnel access improvements to the powerhouse intake, and a warehouse. The work will address aging infrastructure and improve operation and maintenance.</p>	NA	100%	2019	2,579	10,458	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
<p>Hells Canyon Turbine Refurbishments - This project refurbishes the turbine units for Hells Canyon units 1 through 3. The project will include replacing the runner and wicket gates, refurbishing the rest of the turbine unit and repairing existing cavitation. The project will also reinsulate the generator rotor poles. This</p>	NA	100%	2024		58	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

<p>project will result in improved efficiency, improved cavitation resistance, and renew the useful life of the turbine and generator.</p>	<p>NA</p>	<p>100%</p>	<p>Various</p>	<p>24,939</p>	<p>8,375</p>	<p>50,763 89,560</p>	<p>Gas Fleet Program Parts and Service Contract – This program represents the capital cost of an original equipment manufacturer (OEM) managed long term service program for the three Siemens combustion turbines at Bennett Mountain, Danskin and Langley Gulch. The program includes supplying new and refurbished parts, performing inspections and repairs to critical components, program management, and necessary outage services at both OEM recommended service intervals and when forced outages occur.</p>	
<p>Non-Major Production Projects</p>	<p>NA</p>	<p>100%</p>	<p>Various</p>	<p>24,939</p>	<p>8,375</p>	<p>50,763 89,560</p>	<p>Total Production Projects</p>	
<p>Major Transmission Projects: Due to FERC Standards of Conduct, IPC has presented its major and non-major transmission projects in total, and without year by year amounts for the projects discussed.</p>	<p>Boardman-to-Hemingway Transmission Line - The Boardman-to-Hemingway line, a proposed 300-mile, 500-kV transmission project between a station near Boardman, Oregon and the Hemingway station near Boise, Idaho, would provide transmission service to meet future resource needs. The Boardman-to-Hemingway line was included in the preferred resource portfolio in Idaho Power's 2017 IRP.</p>	<p>Hemingway 230-kV Integration Projects - These projects are required to integrate the Boardman-to-Hemingway 500-kV line into the Idaho Power system to allow the capacity of the Boardman-to-Hemingway line to be fully utilized.</p>	<p>Gateway West Transmission Line - Idaho Power and PacifiCorp are pursuing the joint development of the Gateway West project, a 500-kV transmission project between a station located near Douglas, Wyoming and the Hemingway station near Boise, Idaho.</p>	<p>Wood River-Ketchum 138-kV Redundant Transmission Line – This project will provide redundancy and improve reliability for the Ketchum and Sun Valley areas, which are currently served by a single 138-kV transmission line. In addition to improving reliability for the area, this project will reduce</p>	<p>Boardman-to-Hemingway Transmission Line - The Boardman-to-Hemingway line, a proposed 300-mile, 500-kV transmission project between a station near Boardman, Oregon and the Hemingway station near Boise, Idaho, would provide transmission service to meet future resource needs. The Boardman-to-Hemingway line was included in the preferred resource portfolio in Idaho Power's 2017 IRP.</p>	<p>Hemingway 230-kV Integration Projects - These projects are required to integrate the Boardman-to-Hemingway 500-kV line into the Idaho Power system to allow the capacity of the Boardman-to-Hemingway line to be fully utilized.</p>	<p>Gateway West Transmission Line - Idaho Power and PacifiCorp are pursuing the joint development of the Gateway West project, a 500-kV transmission project between a station located near Douglas, Wyoming and the Hemingway station near Boise, Idaho.</p>	<p>Wood River-Ketchum 138-kV Redundant Transmission Line – This project will provide redundancy and improve reliability for the Ketchum and Sun Valley areas, which are currently served by a single 138-kV transmission line. In addition to improving reliability for the area, this project will reduce</p>

<p>future maintenance and repair costs by providing greater outage management flexibility for the north Wood River Valley.</p> <p>T950 Midpoint-Borah 345-kV Transmission Line - This project rebuilds the line and replaces wood poles nearing the end of their anticipated useful lives. Several other issues with the line such as grounding failures, insulator flashovers, leaning structures, National Electric Safety Code structural capacity, and ground clearance will be resolved. Idaho Power will rebuild the line using 345-kV construction standards, which will increase reliability and decrease future maintenance and capital costs.</p> <p>2-Way Radio Upgrade - This project upgrades the existing 2-way radio system and provides enhances employees' ability to operate the electrical system safely and effectively. This project will improve the incoming call process for dispatch by adding a call queuing system, eliminating one-sided communication between field personnel and dispatch, automating base station selection for dispatch and field personnel; and improving radio coverage gaps.</p>									
<p>Non-Major Transmission Projects</p> <p>Total Transmission Projects</p>									
<p>Distribution (See Instruction 3): Station Equipment Poles, Towers, and Fixtures Overhead Conductors and Devices Underground Conductors and Devices Underground Conduit Line Transformers Services Meters Street Lighting and Signal Systems Other:</p>									
<p>Total Distribution</p> <p>Major General Plant Projects:</p> <p>Non-Major General Plant Projects</p>									
<p>Total General Plant Projects</p> <p>Total New Construction Budget</p>									

**NEW CONSTRUCTION BUDGET - 2018
IDAHO POWER COMPANY
OTHER PROJECTS EXCEEDING \$1 MILLION**

Project	In Service Date	B.Y. Cost	B.Y. + 1	B.Y. + 2	3 Year Total	Description
PRODUCTION						
Bliss Concrete Deck Rehabilitation	2018	\$ 1,152	\$	\$	\$	This project will rehabilitate multiple areas of deteriorating concrete on the top deck at Bliss by resurfacing the intake dock and "spot" repairs on other areas. These "spot repair" areas include top edges undermining handrail posts, edges showing exposed reinforcing bar and conduit, concrete surrounding crane-rail bolts, and spalling concrete adjacent to spillway stoplog slots.
Bridger Unit 3 Reheater Bottom Bend Replacement 19	2019	\$ 250	\$	\$	\$	This project will replace the bottom loops of the front reheater pendant assembly preventing stress corrosion cracks and preventing tube leaks while improving reliability for customers.
Bridger Unit 3 SCR Catalyst Replacement 19	2019	\$ 779	\$	\$	\$	This project will install an additional level of Selective Catalytic Reduction (SCR) catalyst as defined in the catalyst management plan.
Rehabilitate Spill Gates at Upper Salmon Spillway	2019	\$ 656	\$	\$	\$	This project includes rehabilitation of the lower corroded portion of the Upper Salmon spill gates which are nearing the end of their service life span. The project will replace the metal skin and rehabilitate the structural members necessary for continued safe operation.
Bridger Unit 1 APH Baskets 18	2018	\$ 1,378	\$	\$	\$	This project will replace all baskets in both air preheaters (APH) and make repairs to rotor post, diaphragms and stay plates. Air preheater baskets have an 8 year life cycle. The new design APH baskets are expected to be less prone to pluggage and will address corrosion from future pollution controls.
Lower Salmon Upgrade Local Service, Phase 2	2020	\$ 238	\$	\$	\$	This project will upgrade the local service system in the Lower Salmon Power Plant, replacing original equipment installed in 1948 resulting in improved plant local service and reliability.
Hells Canyon Penstock Coupling Refurbishment	2018	\$ 638	\$	\$	\$	This project will remove corrosion of the steel couplings at the penstocks. Corroded parts will be replaced to avoid potential need of an unplanned shut down of the units, and to mitigate the risk of failure of the coupling.
American Falls Protection and Control Upgrade	2020	\$ 186	\$	\$	\$	This project will modernize the AFPPR power plant control and protection systems as well as the local service for the plant bringing it up to Idaho Power standards. The design will follow the current operation, control and protection criteria already in use in the other Idaho Power plants. Existing design philosophy and equipment types will be utilized as much as possible to reduce design time, installation and spare parts.
Bridger U1 Replace Finishing Superheater 18	2018	\$ 3,383	\$	\$	\$	This project will replace the finishing superheater including inlet, outlet headers, and all panels. The replacement addresses fly ash erosion, sootblower erosion, mechanical fatigue (dissimilar metal welds, and long-term overheating).
Langley Gulch Water Supply Expansion	2018	\$ 3,958	\$	\$	\$	This project includes expansion of the water / wastewater supply system at Langley to provide some additional treatment capacity and redundancy to the existing system. The project includes installation of a new on-site well and piping to provide flow to the existing system; installation of a new RO treatment system and installation of a new clarifier as well as revisions to the water supply system in the raw water tank.
TRANSMISSION						
See Note at the Major Transmission Project section of this report.						
GENERAL PLANT						
Energy Imbalance Market (EIM) Technology Solution	2018	\$ 1,148	\$	\$	\$	This project will implement a technology solution and other business processes required to participate in an Energy Imbalance Market (EIM). This includes procuring software solutions for market participation and integration work needed to incorporate systems and data to the market operator.
Canyon Operations Center Restack	2019	\$ 350	\$	\$	\$	This project will remodel the Canyon Operation Center including upgrading the space with paint, furniture, light fixtures, etc. The remodel will also provide a conference room for customers, improve the vestibule and reception area for improved customer service. An additional benefit of the remodel is space will be designed to improve efficiency and improve work areas, collaboration and storage.
M&E - Replace M&E Roof and Fascia	2018	\$ 1,350	\$	\$	\$	This project will replace the ballasted roof. There are over 150 penetrations that need attention and are causing leaks within the building. All drain covers need to be replaced as well as some vent covers.
Skills Training Center - Simulated Substation	2018	\$ 1,670	\$	\$	\$	This project will install simulated substation on the Divotz property for the skills training center. Simulated substation will allow for better training of linemen as they will have actual lines and transformers to practice on.
M&E - New HVAC and Controls for Common Areas and Offices	2019	\$ 100	\$	\$	\$	This project will replace the current HVAC ductwork and system. In the current HVAC ductwork and system, much of the ductwork is crumbling or falling apart. There is also years-and-years of dust and grime coating the inside of the ductwork. System is original to the M&E and requires replacement to receive air quality issues.
AMI Expansion to Remaining Territory	2020	\$ 923	\$	\$	\$	This project will install powerline carrier communication equipment at 41 selected substations using salvaged TWACS equipment. The change out of equipment is scheduled over a 3 year time frame 2018-2020. During the 2009 - 2011 AMI installation, it was cost prohibitive to equip the substations in remote locations with broadband communications. The acquisition of salvaged equipment makes this feasible.